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Pfizer to Pay $14.5 Million for Illegal Marketing of Drug Detrol

Settlement Involves False Claims Act Lawsuit Not Resolved at the Time of the Government’s $2.3 Billion Dollar Settlement with Pfizer in 2009

WASHINGTON – American pharmaceutical company Pfizer Inc. has agreed to pay $14.5 million to resolve False Claims Act allegations related to its marketing of the drug Detrol, the Justice Department announced today. The settlement resolves the last of a group of 10 qui tam, or whistleblower, suits that were filed in the District of Massachusetts and two other districts, beginning in 2003. The other nine suits were settled or dismissed in 2009 as part of the government’s global resolution with Pfizer, under which the company agreed to pay $2.3 billion dollars to resolve civil claims and criminal charges regarding multiple drugs.

The current settlement addresses allegations that Pfizer illegally marketed Detrol, a drug for the treatment of overactive bladder, for use in male patients suffering from benign prostatic hypertrophy and several allied conditions, notably lower urinary tract symptoms and bladder outlet obstruction – all uses for which the Food and Drug Administration (FDA) had not approved the drug as safe and effective. Under the terms of the settlement, the $14.5 million recovery will be divided between the United States and participating state Medicaid programs, with $11,878,846 going to the federal government and $2,621,154 going to state Medicaid programs. Under the qui tam provisions of the False Claims Act, whistleblowers will receive a $3,282,019 share of the federal recovery.

“Whistleblowers play an important role in protecting taxpayer funds from fraud and abuse,” said Tony West, Assistant Attorney General of the Justice Department’s Civil Division. “Settlements like this one help maintain the integrity of FDA’s drug approval process and support important federal and state health care programs.”

“The United States is pleased that Pfizer has agreed to resolve the last of the pending cases that were not settled as part of the 2009 resolution and plea,” said Carmen Ortiz, U.S. Attorney for the District of Massachusetts. “We hope and expect that this is indicative of a commitment to move forward in compliance with the law, and we will continue to watch vigilantly to ensure that Pfizer complies with the law in its sales and marketing of drugs sold to the public.”

The case is U.S. ex rel. Wetherholt and Drimer v. Pfizer, which the United States declined to intervene in and was independently litigated by the relators. The United States subsequently participated closely in efforts to resolve the case.

This settlement is part of the government’s emphasis on combating health care fraud and another step for the Health Care Fraud Prevention and Enforcement Action Team (HEAT) initiative, which was announced by Attorney General Eric Holder and Kathleen Sebelius, Secretary of the Department of Health and Human Services in May 2009. The partnership between the two departments has focused efforts to reduce and prevent Medicare and Medicaid financial fraud through enhanced cooperation. One of the most powerful tools in that effort is the False Claims Act, which the Justice Department has used to recover more than $6.3 billion since January 2009 in cases involving fraud against federal health care programs. The Justice Department’s total recoveries in False Claims Act cases since January 2009 exceed $8.1 billion.